Parker 7/4

Scott. M-27—30,004—24-10-44.

Development (1945) Department.

MS. SERIES.

G.O. No. 4165.

Dated 25th October 1945.

[Despatch Abstract.]

Cooperative Societies - Central Banks - South Kanara Cooperative Central Bank Ltd. - Maximum borrowing limit - Restriction regarding financing of loan and sale societies - Relaxation - Extended for one year.

C.F. 32 (a).

Cooperative Department

From (Name) W.R.S. Satthianadhan, Esq., I.C.S.,
Designation Registrar of Cooperative Societies,
Station Madras.

FIRST ASST. SECRETARY TO GOVT. DEVELOPMENT DEPARTMENT
D062381B
10 OCT 1945

Received Registered 10.10.45

To

The Secretary to Government,
Development Department,
Fort St. George, Madras.

Enclosures :

R.C. No. 11117/45 A dated 9-10-45. 194

Sir,

Sub:-Cooperative societies- Central Banks - South Kanara Central Cooperative Bank, Ltd - Borrowing limit-enhancement - further extension requested.

Ref:-1.G.O.Ms.No.1036 Ms. Development dated 5-6-41.
2.My letter R.C. 257/45 A dated 24-2-45.
3.G.O.Ms. No. 992 Development, dated 12-3-1945.

In the G.O. Ms. No. 992 Development dated 12-3-45 cited, Government were pleased to relax the conditions prescribed in the first of the G.O. cited in respect of the South Kanara Central Cooperative Bank and permitted it to borrow upto 12 times its owned capital and utilise the additional funds only for financing loan and sale societies but also its other affiliated societies including the South Kanara Central cooperative whole-sale stores. This relaxation was permitted for a period of 6 months from the date of the order or till the termination of war whichever was earlier. The period has expired already.

2. In my letter dated 24-2-1945 referred to above I approached Government to relax the condition specially in the case of the South Kanara Cooperative Central Bank in order to enable it to obtain necessary

funds for financing the procurement scheme undertaken by the South Kanara Cooperative wholesale stores. Even though the hostilities have ceased, the Government have decided to continue the procurement operations in the South Kanara District for the year 1945-46 also and the Collector has entrusted the work to the South Kanara District cooperative wholesale stores. The Central Bank has therefore to continue to finance the scheme and it is estimated that the cooperative wholesale stores may require Rs. 65 lakhs for this purpose. At my instance the Central Bank has launched a vigorous drive to increase its owned capital and it has substantially increased its share capital. Its owned capital on 31-8-45 amounted to Rs. 6.54 lakhs and its maximum credit limit at the normal limit of 10 times will be therefore Rs. 65.4 lakhs. As this entire limit has to be utilised for the financing of the cooperative wholesale stores the bank will not have sufficient credit limit to finance other societies. Further increase of share capital may result in over capitalisation and will not be conducive to the interests of the bank. It has therefore again approached me to extend the period of relaxation permitted by the Government in their G.O. 992 Development dated 12-3-45 for a further period of one year. I also feel that such a relaxation is absolutely necessary so that the central bank may without difficulty finance the procurement scheme in the district. In the circumstances, I request that Government may be pleased to extend the period of relaxation permitted in G.O. 992 Ms. Development dated 12-3-45 for a further period of one year from 12-3-45.

As the South Kanara Central Bank is in urgent need of funds, I request early orders of Government.

KG. 9.10.

For Registrar.

Dep. Dept

Telephone Message

To mi Regr ges

Sub:- Coop. Societies Central Banks
South Kanara Coop. Central Bankhito-
Maximum borrowing limit - Restricha
regarding sanctioning of loan State Govt
- Relaxation - Extension.

Ref:- your Letter no. RC 11117/45-Ad9104

On the penultimate sentence of your letter cited, it is stated that the period of relaxation permitted in GO no. 992 (Ms) Dated. 12-3-45 may be extended for a further period of one year from 12-3-45. Please state whether the relaxation should be

47

from 12.9.45

It continued for one more year (or only for six months to make up one year in all from 12.9.45.

Asst Surg's Office

P.C to go

R 25/9/45

OFFICE OF THE .....

Date ..... 194 ..., Hours ..... Minutes 5

TELEPHONIC MESSAGE

From	To
R.C.S.	A.S.
	Dev. Dept.

Sub:- S. Kanara Dt. Coop. Central Bank - Borrowing - Relaxation of credit-limit - Ph:- A place

Ref:- your T.M. of date --

The relaxation may be granted for one year from 12-9-45 as the borrowing operations authorisation for 1945-46 are expected to last till Sept. 1946.

P.G.D.
16/XII/45

16/XII

Copy of telephonic message No.11117/45-A dated 16-10-45 from the Registrar of Cooperative Societies to the Assistant Secretary to Government, Development Department.

Sub:- South Kanara Dt. Central Cooperative Bank -- Borrowings relaxation of credit limit.

Ref:- Your T.M. d/12-10-45. (M.O.623818/45-Dev.(Dairy)(1))

Sir,

The relaxation may be granted for 1 year from 12-9-45 as the procurement operations for 1945-46 are expected to last till September, 46.

Office of the Registrar of Coop. Societies, Madras, dated 16-10-45.

Post copy of the telephonic message to the Assistant Secretary to Government, Development Department, Madras.

for Registrar.

TD/17-10.

Dev. Dept. 17.10

M.O.623818/45 17/10. Action has already been taken on the original T.M. and the connected file and to be seen as 18.10.45. This may be filed with it.

18.10.45 19.10.45

Devidepa

Co-op. Societies:- Central Banks of South Kanara Co-op. Central Bank Ltd. - Maximum borrowing limit - Restriction regarding financing of loan sale Societies - Relaxation - Extended for one year. —

Read again:- G.O.No. 992 (Ms) Dev, dt. 12.3.45

Read also:- From the Reg. Rc.No. 11117/45-A, dt. 9-10-45

Order No. 4165 (Ms) dated 2-11-45

In the G.O. read above, permission was accorded to the Kanara Co-operative Central Banks Ltd. to borrow up to 12 times its owned capital not only for financing loan and sale societies but also its other affiliated societies, including the South Kanara District Central Co-operative

To hold the stores now in the existing [illegible] for a period of one year from 12-9-45.

Do the Regs of OS

Copy for Stock File on "Compulsory Rent Orders"

Note:

After a Medical Officer's Report that a patient to be detained for one year under Mental Health Act

A draft Am. in draft.